GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1618
ANSWERED ON:01.12.2006
REQUIREMENT OF FUNDS FOR POWER TRANSMISSION
Owaisi Shri Asaduddin

Will the Minister of POWER be pleased to state:

(a)Whether the Government has made any assessment about the funds required for the power transmission sector by 2012;

(b) If so, the details thereof and the manner in which the funds are proposed to be met;

(c)Whether the Government proposes to set up an Independent System Operator for power transmission to avoid conflict between private transmission companies and Power Grid Corporation of India Limited; and

(d) If so, the details thereof and the strategy chalked out by the Government in this regard?

Answer

THE MINISTER OF THE STATE IN THE MINISTERY OF POWER(SHRI SUSHILKUMAR SHINDE)

(a) & (b) : Central Electricity Authority (CEA) has estimated a fund requirement of around 1,40,000 crore for implementation of transmission schemes in the country during 11th Plan period (2007-12). This includes requirement of around Rs.75,000 crore for Regional and National Grid transmission schemes and around Rs.65,000 crore in State Sector transmission schemes. The transmission schemes for the Regional and National Grids will be implemented by Power Grid Corporation of India Ltd. (PGCIL) and through private participation. Power Grid proposes to mobilize funds through loans from multilateral funding agencies (e.g. World Bank, Asian Development Bank, etc.), domestic bonds/loans, internal resources, etc. Funds are also envisaged to be mobilized through investment from private sector.

(c) & (d): In accordance with the Electricity Act, 2003, the National Load Despatch Centre (NLDC) and the Regional Load Despatch Centres (RLDCs) shall be operated by a Government Company or any authority or Corporation established or constituted by or under any Central Act, as may be notified by the Central Government. The Act also provides that until such a Government Company or authority or Corporation is notified by the Central Government, the Central Transmission Utility (CTU) shall operate the RLDCs. As no other Government Company or Authority or Corporation has been notified by the Central Government for operation of RLDCs, PGCIL, as the CTU, continues to operate the RLDCs for the present.